

U.S. Department of Commerce
International Trade Administration



Office of Travel and Tourism Industries

U.S. Travel and Tourism Industries: A Year in Review **2009**



U.S. Travel and Tourism Industries: A Year in Review (2009)

Travel and Tourism Stats-at-a-Glance

Did You Know...?

...that the U.S. travel and tourism industry generates nearly \$1.3 trillion in economic output for the U.S. economy each year?

...that U.S. travel and tourism-related industries support more than 8.2 million American jobs?

...that the United States welcomed nearly 55 million international visitors in 2009?

...that in 2009 international visitors spent more than \$120 billion experiencing the United States?

...that travel and tourism exports account for 24% of U.S. services exports and 8% of all U.S. exports?

...that the United States enjoys a \$21.1 billion travel and tourism balance of trade surplus?

2009: A Year in Review

2009: The Most Difficult Year For U.S. Travel and Tourism Industries Since 9/11

3 Million	\$21 Billion	392,000	\$100 Billion
Fewer International Visitors	Decline in tourism exports	Industry jobs lost	Decline in tourism output

The United States welcomed nearly 55 million international visitors in 2009, 3.0 million fewer visitors than in 2008. Moreover, those international visitors who did travel to the United States in 2009 spent markedly less. While international visitation decreased 5 percent, international visitor spending declined 15 percent (\$21 billion) in 2009.

With rising prices and diminishing demand, the prevailing economic conditions forced the industry, and its supporting industries, to jettison 392,000 American jobs, a decrease of 4.6 percent.



President Barack Obama signing the Travel Promotion Act, the first-ever national promotion and communications program to attract more international visitors to the United States.

For perspective, the U.S. travel and tourism industry shed 1.5 percent and 3.4 percent of its workforce in 2001 and 2002, respectively, following the downturn facilitated by 9/11.

Americans curtailed their travel-related spending, too, spending nearly 12 percent less while traveling abroad in 2009. Subtracting exports from imports, we are left with a \$21.1 billion balance of trade surplus for travel and tourism, nearly \$8 billion less favorable than in 2008.

In 2009 U.S. travel and tourism industries generated \$100 billion less output than in 2008, by far the single largest contraction the industry has weathered.

Simply put, the global economic downturn created the most difficult environment for the tourism industry since the tragic attacks of September 11, 2001. Indeed, 2009 proved to be a very difficult year for U.S. travel and tourism industries.

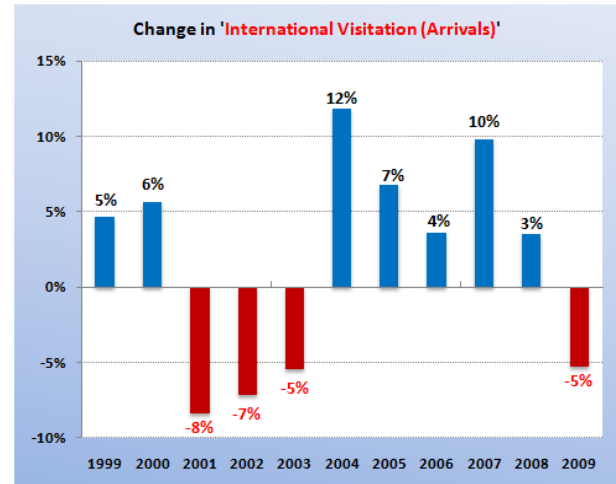


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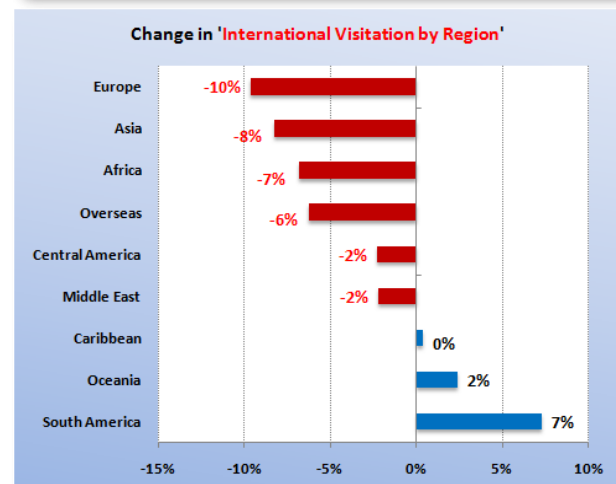
2009 Total International Visitation

- The United States welcomed 55.0 million international visitors in 2009, a decrease of 5 percent when compared to 2008.
- Softening the annual decline, international arrivals turned positive during the closing months of 2009, increasing by 1 percent, 2 percent, and 5 percent in October, November and December, respectively.



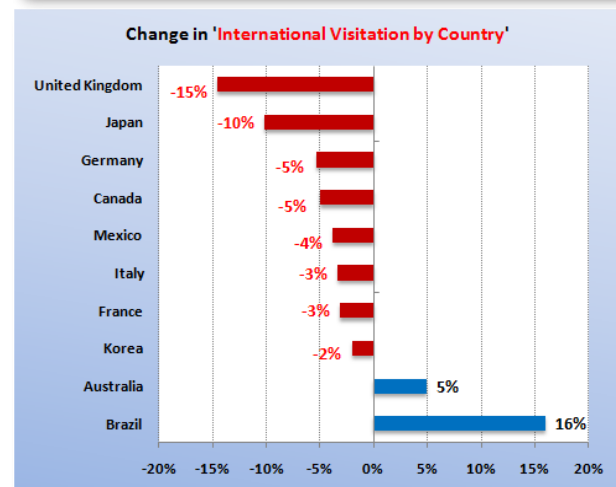
International Visitation by Region

- Accounting for more than 40 percent of the total decline in international visitation, Europe produced 10 percent fewer visitors to the United States in 2009 than had visited in 2008.
- Strong gains in South America, a modest increase in visitation from Oceania, and an ever-so-slight increase from Caribbean travelers helped to offset more severe declines during the opening months of 2009.



International Visitation by Country

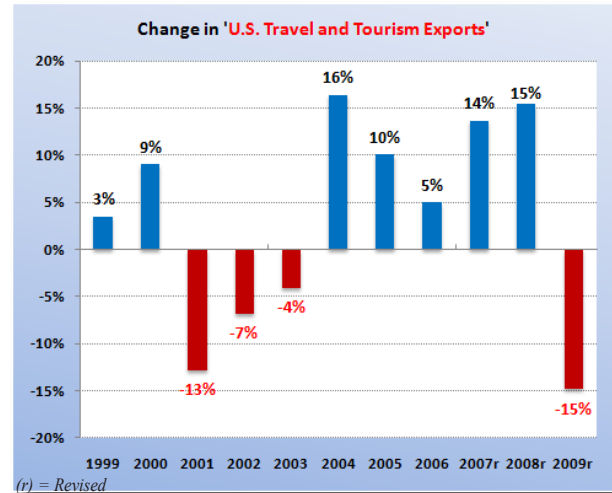
- The United States welcomed an alarmingly fewer number of travelers from the United Kingdom in 2009; in total, 3.9 million U.K. residents visited the United States last year, down 15 percent when compared to 2008.
- Despite the global economic downturn that plagued global arrivals, visitation from both Australia and Brazil increased (5% and 16%, respectively) when compared to 2008.



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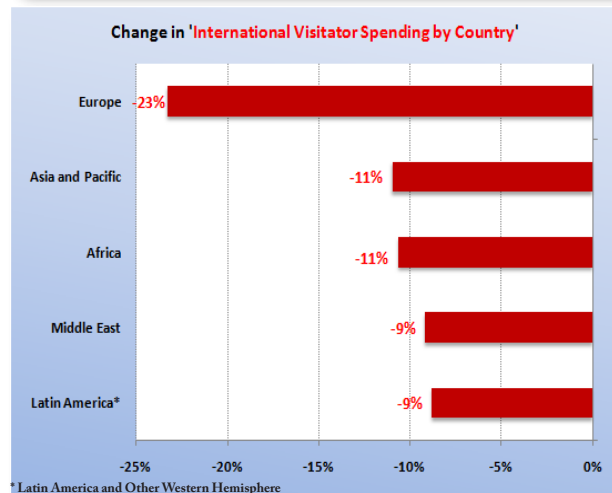
Total U.S. Travel & Tourism Exports

- Total international visitor spending in the United States dropped precipitously in 2009, resulting in a record-setting year-over-year decline of \$21.0 billion (15%).
- For perspective, the tragic attacks of September 11, 2001, facilitated a \$13.3 billion decline in U.S. travel and tourism-related exports (13%) when compared to 2000.



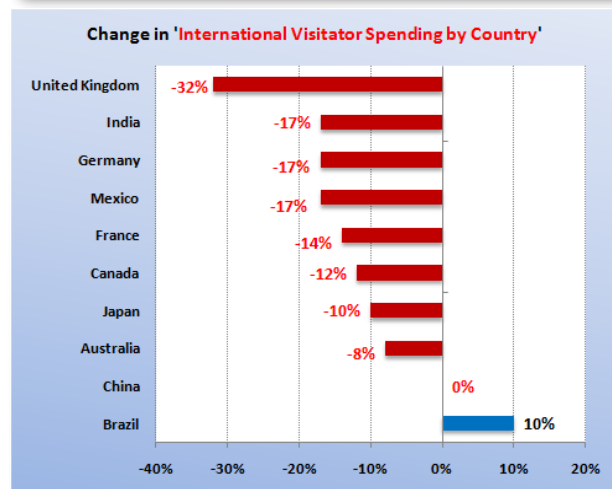
Visitor Spending by Region

- While European arrivals declined by nearly 10 percent in 2009, European spending in the United States declined by more than 23 percent. Simply put, those who came spent less (\$11.6 billion) on travel and tourism-related goods and services in 2009.
- Visitors from the Asia/Pacific region curtailed their spending, too, spending \$3.8 billion less in the United States in 2009.



Visitor Spending by Country

- U.K. visitor spending in the United States dropped appreciably in 2009; indeed, U.K. visitors spent nearly \$5.3 billion less (32%) in the United States in 2009 than they spent in 2008.
- To put this decrease in perspective, the decline in total U.K. visitor spending surpasses the declines from Africa and the entire Asia and Pacific region...combined.



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U.S. Travel & Tourism Employment

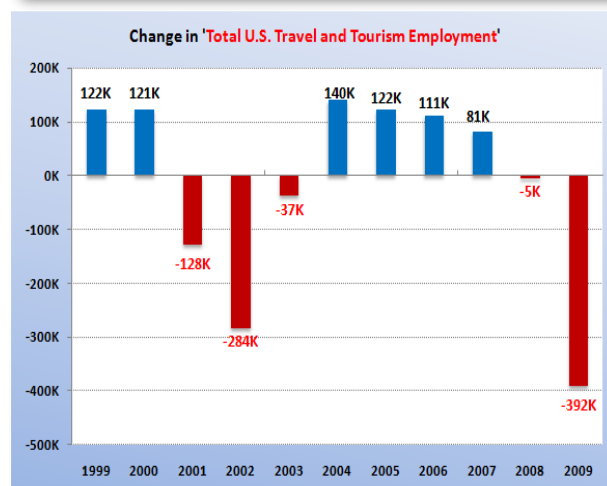
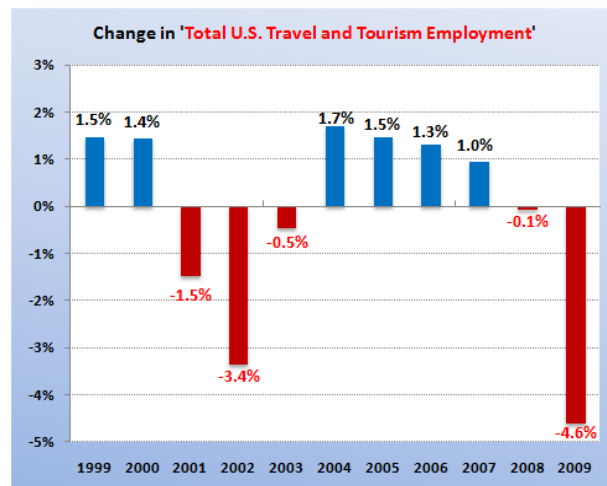
- Total U.S. travel and tourism employment declined by nearly 5 percent in 2009, the single largest annual decline on record, bringing the total number of jobs supported by the industry down to 8.2 million.
- For perspective, the industry shed 1 percent and 3 percent of its workforce in 2001 and 2002, respectively, following the downturn exacerbated by the events of September 11th.

Number of Jobs Lost in 2009

- This 5 percent downturn translates into the loss of nearly 392,000 industry-related jobs in 2009, essentially eliminating all gains since 2004.
- Total industry employment closed the year at 8.2 million jobs, down from a record-setting 8.6 million in 2007 before the onset of the economic slowdown. In fact, the industry employed more people in 1999 than in 2009.

Compared to the U.S. Economy

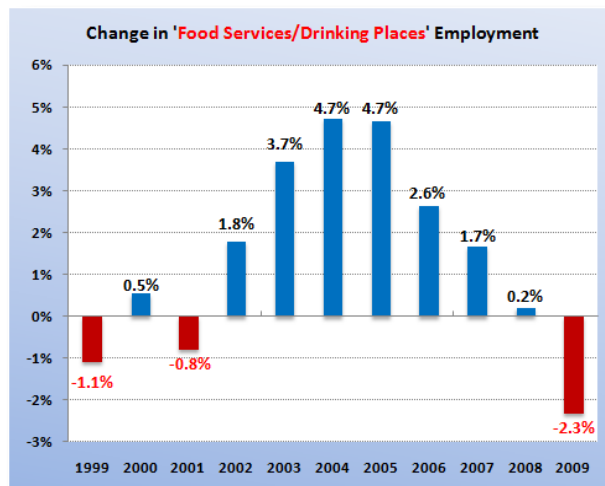
- The recent pressures on the industry to downsize its workforce in the face of decreasing demand is not unique to travel and tourism.
- The decline in travel and tourism-related employment mirrors the decline in total U.S. employment; however, in 2009 the decline in travel and tourism employment outpaced the decline in total U.S. employment (4.6% and 4.3%, respectively).



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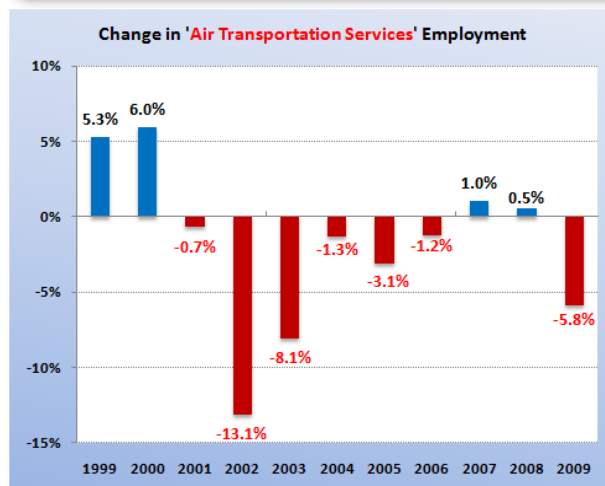
Food Services & Drinking Places

- After seven consecutive years of growth, the food services/drinking places industry cut its workforce by 2 percent in 2009. This, too, is the largest decline on record.
- Total employment for this industry, after reducing its workforce by 60,000 in 2009, accounts for 2.6 million American jobs.



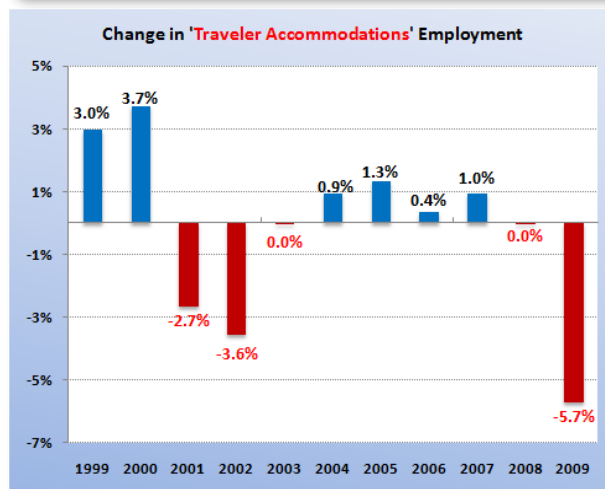
Passenger Air Transportation Services

- The passenger air transportation industry downsized its workforce by nearly 6 percent in 2009; and though not the largest reduction in labor, the industry has reduced the size of its workforce in seven of the last ten years.
- Total employment for this industry, after reducing its workforce by nearly 47,000 in 2009, accounts for a decade-low 758,000 American jobs.



Traveler Accommodations

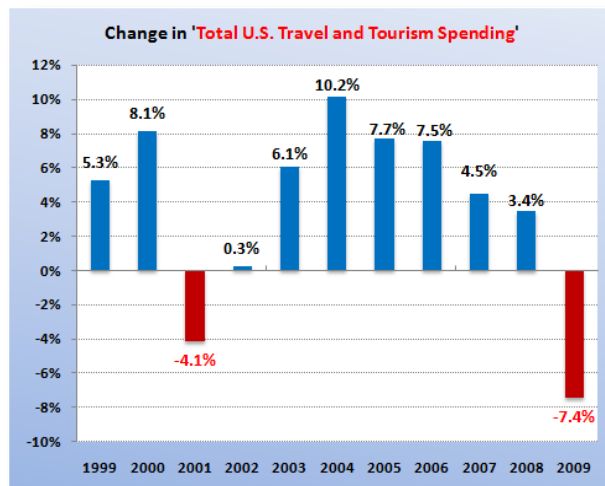
- In terms of the number of jobs eliminated, the traveler accommodations industry has been hardest hit by the economic slowdown, scaling back its workforce by nearly 6 percent in 2009.
- Total employment for this industry, after reducing its workforce by nearly 98,000 in 2009, accounts for 1.6 million American jobs.



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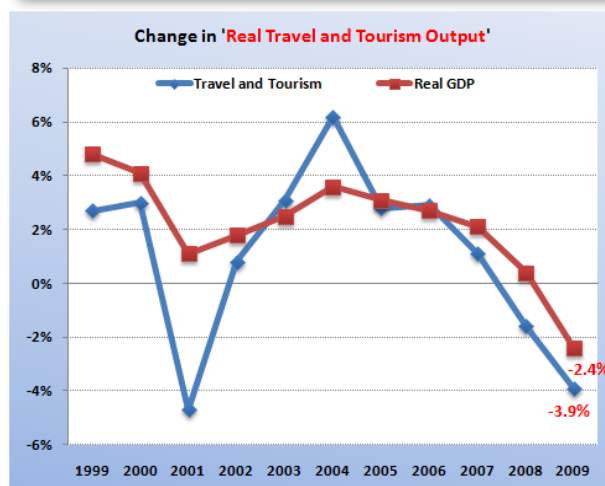
Total Travel & Tourism Spending

- The global economic downturn has taken its toll on the demand for travel and tourism-related goods and services. In 2009 the industry weathered the single largest annual decline on record.
- U.S. travel and tourism-related industries generated \$100 billion less output in 2009 than in 2008, a decline of more than 7 percent.



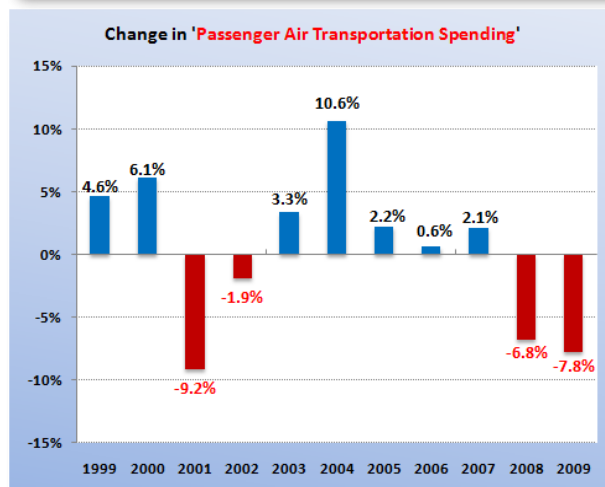
Decline in Real Output

- Declines in real travel and tourism output have outpaced the decline of the U.S. economy.
- Real travel and tourism output (adjusted for changes in price) declined by 3.9 percent in 2009 following a decline of 1.6 percent in 2008. Real gross domestic product increased .04 percent in 2008 and declined 2.4 percent in 2009, a slower rate when compared to the declines in travel and tourism output.



Passenger Air Transportation

- Real spending on passenger air transportation services declined nearly 8 percent in 2009 after declining nearly 7 percent in 2008.
- Total spending on passenger air transportation services (direct and indirect) fell more than 16 percent to \$158.5 billion in 2009, less than was spent in 2000.



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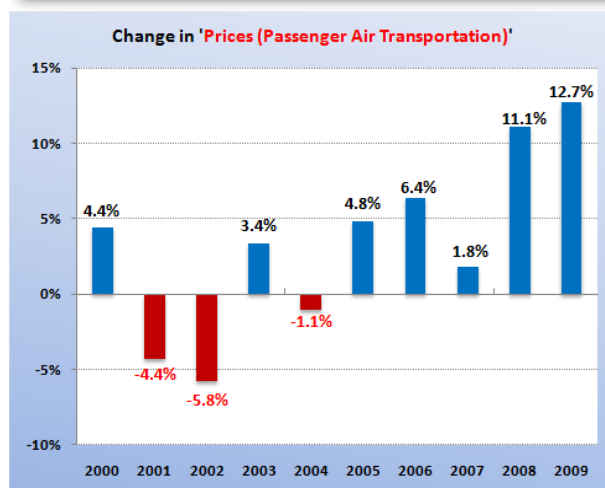
All Travel & Tourism Goods/Services

- The global economic downturn suppressed the demand for travel and tourism-related goods and services, yet travel and tourism prices increased 7 percent in 2009 after increasing 6 percent in 2008.
- In fact, travel and tourism prices have gravitated upward in each and every year since the nearly 1 percent decline in 2002.



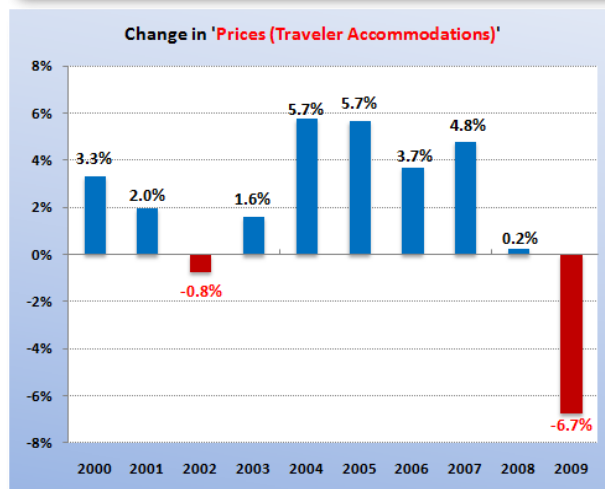
Passenger Air Transportation Prices

- Despite declines of 27 percent and 30 percent in Q1:2009 and Q2:2009, respectively, passenger air transportation prices rebounded during the second half of 2009 and, in fact, increased more than 36 percent in Q4:2009.
- Prices for passenger air transportation finished the year up nearly 13 percent.



Price of Traveler Accommodations

- Prices for accommodations decreased 7 percent in 2009 after six consecutive years of price increases.
- Occupancy increased as leisure travelers responded to lower room rates, which have now declined in six of the last nine quarters.



Sources:

U.S. Department of Commerce, Office of Travel & Tourism Industries.
U.S. Department of Commerce, Bureau of Economic Analysis.
Statistics Canada and Banco de Mexico/Secretaria de Turismo.

For OTTI programs of interest visit:

<http://www.tinet.ita.doc.gov/research/index.html>

- Summary of International Travel to the United States (I-94)
- U.S. International Air Traveler Statistics (I-92)
- Canadian Statistics
- Survey of International Air Travelers (SIAT)
- Forecast of International Arrivals to the United States
- U.S. Travel and Tourism Exports, Imports and the Balance of Trade
- U.S. Travel and Tourism Satellite Accounts
- Travel Trade Barometer

For more information on the U.S. Travel and Tourism Satellite Accounts (TTSA), please visit:

<http://www.bea.gov/industry/iedguide.htm#TTSA>

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